

IN THE CLAIMS:

A complete listing of the claims is set forth below. Please amend the claims as follows:

1. **(Previously presented)** A method for generating a price schedule for one or more products, the method comprising:

generating a transition graph comprising a plurality of stages, each stage representing a time interval and comprising one or more states and a plurality of paths, each path comprising a plurality of states, each state having a price value, an inventory value, and a state value, the transition graph being generated by repeating the following for the plurality of stages until a final stage is reached:

determining the price value of a successor state;

calculating the inventory value of the successor state using the price value and the inventory value of a predecessor state; and

calculating the state value of the successor state using the price value and the inventory value of the predecessor state;

selecting a path of the plurality of paths according to the state values of the one or more states; and

determining a price schedule from the selected path.

2-3. **(Canceled)**

4. **(Previously Presented)** The method of Claim 1, wherein selecting the path according to the state values comprises:

determining a state at the final stage having a state value; and

determining a path comprising a state of an initial stage and the state having the state value.

5. **(Original)** The method of Claim 1, further comprising eliminating a successor state in response to a constraint.

6. **(Withdrawn)** The method of Claim 1, further comprising:

computing an elasticity curve; and

computing the inventory value of each successor state using the elasticity curve.

7. **(Previously Presented)** The method of Claim 1, wherein:

each state has a certainty value; and

selecting the path comprises determining a state at the final stage having a certainty value of a predetermined value.

8. **(Canceled)**

9. **(Previously Presented)** A system for generating a price schedule for one or more products, the system comprising:

a transition graph generator operable to generate a transition graph comprising:

a plurality of stages, each stage representing a time interval and comprising one or more states;

a plurality of paths, each path coupling a sequence of the one or more states, each state having a price value, an inventory value, and a state value, the transition graph generator operable to generate the transition graph by repeating the following for the plurality of stages until a final stage is reached:

determining the price value of a successor state;

calculating the inventory value of the successor state using the price value and the inventory value of a predecessor state; and

calculating the state value of the successor state using the price value and the inventory value of the predecessor state; and

an optimizer coupled to the transition graph generator and operable to:

select a path of the plurality of paths according to the state values of the one or more states; and

determine a price schedule from the selected path.

10-11. **(Canceled)**

12. **(Previously Presented)** The system of Claim 9, wherein the optimizer is operable to select the path according to the state values by:

determining a state at the final stage having a state value; and

determining a path comprising a state of an initial stage and the state having the state value.

13. **(Original)** The system of Claim 9, wherein the transition graph generator is operable to eliminate a successor state in response to a constraint.

14. **(Canceled)**

15. **(Previously Presented)** The system of Claim 9, wherein:
each state has a certainty value; and
the optimizer is operable to select the path by determining a state at the final stage having a certainty value of a predetermined value.

16. **(Canceled)**

17. **(Previously Presented)** Computer software for generating a price schedule for one or more products, the software embodied in one or more computer-readable media and when executed operable to:

generate a transition graph comprising a plurality of stages, each stage representing a time interval and comprising one or more states and a plurality of paths, each path comprising a plurality of states, each state having a price value, an inventory value, and a state value, the transition graph being generated by repeating the following for the plurality of stages until a final stage is reached:

determining the price value of a successor state;

calculating the inventory value of the successor state using the price value and the inventory value of a predecessor state; and

calculating the state value of the successor state using the price value and the inventory value of the predecessor state;

select a path of the plurality of paths according to the state values of the one or more states; and

determine a price schedule from the selected path.

18-19. **(Canceled)**

20. **(Previously Presented)** The software of Claim 17, further operable to select the path according to the state values by:

determining a state at the final stage having a state value; and

determining a path comprising a state of an initial stage and the state having the state value.

21. **(Previously Presented)** The software of Claim 17, further operable to eliminate a successor state in response to a constraint.

22. **(Canceled)**

23. **(Previously Presented)** The software of Claim 17, wherein:

each state has a certainty value; and

wherein the software is further operable to select the path by determining a state at the final stage having a certainty value of a predetermined value.

24. **(Canceled)**

25. **(Previously Presented)** A system for generating a price schedule for one or more products, the system comprising:

means for generating a transition graph comprising a plurality of stages, each stage representing a time interval and comprising one or more states and a plurality of paths, each path comprising a plurality of states, each state having a price value, an inventory value, and a state value, the transition graph being generated by repeating the following for the plurality of stages until a final stage is reached:

determining the price value of a successor state;

calculating the inventory value of the successor state using the price value and the inventory value of a predecessor state; and

calculating the state value of the successor state using the price value and the inventory value of the predecessor state; and

means for selecting a path of the plurality of paths according to the one or more state values of the states and for determining a price schedule from the selected path.

26. **(Withdrawn)** A method for generating a price schedule, comprising:

generating a transition graph comprising a plurality of paths, each path comprising a plurality of states, each state having a price value, an inventory value, and a state value, the transition graph being generated by repeating the following for a plurality of stages until a final stage is reached:

computing an elasticity curve;

determining the price value of a successor state;

calculating the inventory value of the successor state using the elasticity curve, the price value, and the inventory value of a predecessor state;

adjusting the inventory value of the successor state by defining a plurality of locations, calculating an expected number of unrealized sales at each location, and adjusting the inventory value of the successor state in response to the expected number;

quantizing the inventory value and the price value of the successor state; and

calculating the state value of the successor state using the price value and the inventory value of the predecessor state;

selecting an optimal path according to the state values of the states by determining a state at the final stage having an optimal state value and determining a path comprising a state of an initial stage and the state having the optimal state value; and

determining a price schedule from the optimal path.

27-71. **(Canceled)**